

Message Text

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ACTION NEA-11

INFO OCT-01 ISO-00 SP-02 ICA-11 AID-05 EB-08 NSC-05
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 CIAE-00
COME-00 FRB-03 INR-10 NSAE-00 XMB-02 OPIC-03
LAB-04 SIL-01 PA-01 /091 W
-----034587 130058Z /70
R 121924Z JUN 78
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 0206

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E.O. 11652: N/A
TAGS: EFIN, ECON
SUBJ: OWN IMPORTS UP OVER 100 PERCENT FIRST QUARTER 1978

1. MINTRADE TEWFIK HAS ANNOUNCED APPLICATIONS FOR IMPORT OF COMMODITIES WITHOUT OFFICIAL CONVERSION OF FUNDS INTO CONVERTIBLE CURRENCY (OWN IMPORTS) DURING FIRST QUARTER 1978 ROSE 102.5 PER CENT OVER SAME PERIOD LAST YEAR. JUNE 11 AL AKHBAR CARRIED MIN'S ANNOUNCEMENT ALONG WITH RESULTS OF MINTRADE "SURVEY" WHICH INDICATED THAT APPLICATIONS FOR IMPORT OF "CONSUMER COMMODITIES" UNDER PLAN MADE UP ONLY 20.9 PER CENT OF TOTAL, WHILE APPLICATIONS FOR IMPORT OF "PRODUCTION SUPPLIES" MADE UP 74.2 PER CENT. ACCORDING TO AL AKHBAR, TEWFIK USED REPORT TO REFUTE CHARGES THAT PLAN ALLOWING IMPORT OF COMMODITIES WITHOUT CONVERSION WAS FUELING EXCESSIVE IMPORT OF HIGH-PRICED CONSUMER ITEMS.

2. COMMENT: PLAN ALLOWING IMPORT OF COMMODITIES WITHOUT OFFICIAL CONVERSION OF LOCAL FUNDS HAS BEEN ONE OF MORE POPULAR ASPECTS OF THE "OPEN DOOR" --AT LEAST WITH THE MERCHANTS. IT HAS BEEN EQUALLY CONTROVERSIAL; MANY POLICY MAKERS IN ECONOMIC FIELD HAVE DECRIED LOSS OF
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FISCAL CONTROL INHERENT IN SCHEME. WE ARE UNABLE TO VERIFY TEWFIK'S CLAIM THAT MAJOR SHARE OF IMPORTED GOODS FALLS INTO CATEGORY OF PRODUCTION SUPPLIES. EILTS

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COMMODITIES, IMPORT DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 12 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780671/aaaacjco.tel
Line Count: 58
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b4d5568b-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Review Exemptions: n/a
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SAS ID: 2399042
Secure: OPEN
Status: NATIVE
Subject: OWN IMPORTS UP OVER 100 PERCENT FIRST QUARTER 1978
TAGS: EFIN, ECON, EG
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